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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/765,270	01/18/2001	William Gross	IDEALAB.001A	6161

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EXAMINER

MCCLELLAN, JAMES S

ART UNIT	PAPER NUMBER
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3627

DATE MAILED: 10/07/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/765,270

Applicant(s)

GROSS, WILLIAM

Examiner

James S McClellan

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 August 2004.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,5-15 and 18-22 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,5-15 and 18-22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☐ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 8/30/04.
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____.

DETAILED ACTION

Request for Continued Examination

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on August 30, 2004 has been entered.

Amendment

2. Applicant's submittal of an amendment was entered on August, 30, 2004, wherein:

- claims 1, 5-15, and 18-22 are pending;
- claims 2-4, 16, and 17 have been canceled; and
- claims 1, 8, 10, 12, 14, 15, and 20-22 have been amended.

Information Disclosure Statement

3. Applicant's submission of an Information Disclosure Statement on August 30, 2004 has been fully considered as indicated by the returned PTO-1449 attached to this office action.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are

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such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1, 5-15, and 18-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Internet Publication to Ebay (www.ebay.com) in view of U.S. Patent No. 5,664,115 (Fraser)

The Ebay Publication was published on 4/28/99 (see page 1, "Last Updated: 4/28/99") and was accessed on 9/3/03 via an Internet archive website (www.archive.com).

Regarding **claim 1**, Ebay discloses ranking offerings offered by at least one on-line vendor, comprising: operating a ranking module (using the Feature Auction option, see page 8, wherein the vendor selects whether to use the "Feature Auction" option to place their product at the top of the page, wherein Ebay receives a fee from the vendors that decide to use the "Feature Auction" option) affiliated with a first entity (Ebay), receiving a search parameter of a user (see page 1, "Search" input); identifying at least a first offering from an on-line vendor and a second offering from an on-line vendor that match the search parameter (see page 2, "Featured Auction", "Appear at the very top of the listings"); and ranking, with the ranking module, the first offering relative to the second offering so as to increase income received by the first entity (Ebay); calculating an estimated first selection revenue that corresponds to the revenue received by the first entity (Ebay) when a user selects the first offerings; and calculating an estimated second selection revenue that corresponds to the revenue received by the first entity (Ebay) when the user selects the second offering; and **[claim 5]** calculating an estimated first purchase commission (Feature Auction fee of \$99.95; see page 8) that corresponds to the commission received by the first entity (Ebay) when a user purchases an item offered in the first offering; and calculating an estimated second purchase commission that corresponds to the commission received by the first entity (Ebay) when a user purchases an item offered in the second offering.

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Regarding **claim 15**, Ebay discloses a system that ranks offerings by at least one on-line vendor as set forth above for method claim 1. Ebay is relied upon to reject **claims 16 and 18** for same reasons that similar claims 2 and 5 were rejected in the above paragraph.

The Ebay Publication discloses the method and systems as set forth above, but fails to explicitly disclose estimating a purchase likelihood by a user.

Fraser teaches the use of estimating a purchase likelihood by a user (see column 5, lines 27-34 and column 9, lines 2-7).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the Ebay Publication with user purchasing likelihood information as taught by Fraser, because determining the likelihood of a user's desire to purchase a product will allow the selling entity to more efficiently display items for purchase to the potential buyer.

Response to Arguments

6. Applicant's arguments filed August 30, 2004 have been fully considered but they are not persuasive.

On page 11, fifth paragraph, Applicant argues that there is no mechanism in the Ebay Publication to compare the total fee attributable to a Featured Auction listing versus the total fee attributable to another listing. Applicant is arguing limitations not found in the claim 1. Claim 1 requires "comparing estimating revenues associated with the offerings", not comparing the total fees". Ebay meets the limitations in claim 1, because the system compares offerings that pay the \$99.95 optional fee for a Featured Auction to offerings that elect not to pay that additional fee. Therefore, Ebay ranks offerings based on estimated revenue of either \$99.95 or \$0 for the

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Featured Auction option. As set forth above, the claim does not require the comparison of revenue to be “total” revenue for a given offering.

In the paragraph bridging pages 11-12, Applicant argues that the Ebay Publication fails to disclose the features of claim 2-4. First, Ebay discloses the features of claim 2, wherein Ebay estimates a first revenue (\$99.95) for the selecting the first offering (the Featured Auction) and estimating a second revenue (\$0.00) for the selecting the second offering (the offering that elects not to use the Featured Auction option). Regarding claims 3-4, Fraser, not Ebay, is relied upon to teach the claimed limitations.

On page 12, first full paragraph, Applicant argues that the Ebay Publication fails to disclose the use of a purchase commission that is part of an estimated revenue that is used to compare and rank offerings. Once again, Applicant is arguing limitations not found in the claims. Claims 5 and 18 fail to require a purchase commission that is part of an estimated revenue that is used to **compare** and **rank** offerings (emphasis added by the Examiner). Both claims require calculating an estimated first and second purchase commission, but neither require the first and second offerings to be compared based on said estimates. As set forth in the office action, Ebay discloses calculating first and second purchase commissions as combination of several fees including a percentage of the final value.

On page 12, final paragraph, Applicant argues that Fraser is not applicable. More specifically, Applicant argues that Fraser fails to teach any buyer information or algorithm that is used to calculate an actual likelihood or probability of purchase. It is Applicant's position that Fraser really means that Fraser is describing a financial evaluation of whether the potential buyer can afford a particular property. The Examiner respectfully disagrees. In column 9, lines 1-7,

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Fraser discloses that “a buyer can select particular properties in accordance with particular criteria which are then **evaluated** to determine the buyer’s qualifications and/or likelihood to purchase selected ones of the property listings meeting such criteria” (emphasis added by the Examiner). Fraser disclose evaluating criteria inputted by a buyer to determine the buyer’s likelihood to purchase.

On page 13, final paragraph, Applicant argues that there is not suggestion to combine the references. In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the Ebay Publication with user purchasing likelihood information as taught by Fraser, because determining the likelihood of a user’s desire to purchase a product will allow the selling entity to more efficiently display items for purchase to the potential buyer.

Conclusion

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jim McClellan whose telephone number is (703) 305-0212. The examiner can normally be reached on Monday-Friday from 9:30 to 6:00.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert Olszewski, can be reached at (703) 308-5183.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

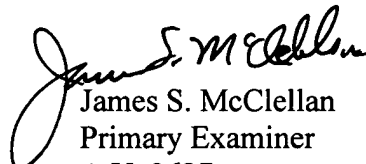
Any response to this action should be mailed to:

Commissioner of Patent and Trademarks
Washington D.C. 20231

or faxed to:

(703) 872-9306 (Official communications) or
(703) 746-3516 (Informal/Draft communications).

Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive,
Arlington, VA, 7th floor receptionist.


James S. McClellan
Primary Examiner
A.U. 3627

jsm
September 28, 2004